

FSC-174-A		10/16/96
SUBJECT:	Revised Preprinted Coupons/VPRs	
DISTRIBUTION:		
<input checked="" type="checkbox"/> AVP	<input checked="" type="checkbox"/> KAM	DM
<input checked="" type="checkbox"/> RSM	<input checked="" type="checkbox"/> AM	RM
<input checked="" type="checkbox"/> RBM	<input checked="" type="checkbox"/> Reg.Mil./DF Mgr.	MIL
<input checked="" type="checkbox"/> ROM	<input checked="" type="checkbox"/> AE	REP

(Please distribute to all Retail Representatives and appropriate Field Sales Personnel)

A key objective when applying pack and carton coupons and VPRs is to maintain the equity of our products. Previous communications have underscored the need to apply our pack coupons and VPRs to the top of the pack and not on the front in order to allow the brand name and packaging to communicate equity to the consumer. Unfortunately, our existing preprinted coupons/VPRs in some cases did not adapt well to this change in direction and numerous enhancements have been considered for improving our preprinted pack and carton coupons and VPRs.

As a result, we are in the process of revising our preprinted pack and carton coupons and VPRs:

- All new pack coupons and VPRs will fit entirely on the top of our packs of cigarettes.
- All new carton coupons and VPRs will fit entirely on the end flap of cartons.
- All new pack and carton VPRs will be a peel-off design to allow retailers to retain VPRs where necessary for counting.

New preprinted coupons/VPRs will be phased in on an item-by-item basis as current coupons/VPRs are depleted. The only exceptions will be new preprinted full-price and savings pack coupons which will be available for order in all current denominations on November 4, 1996.

The attachment lists all preprinted pack and carton coupons and VPRs available for order and current status of each item. New coupons/VPRs will not be available for order until existing inventories have been depleted (exceptions are full-price and savings pack coupons as noted above). We ask for your patience as we go through this transition as some temporary out-of-stocks may occur in managing the inventory process.

Back orders for coupons/VPRs will be adjusted as follows:

- All back orders for current coupons/VPRs where inventories have been depleted will be cancelled.
- All back orders for new coupons/VPRs where current inventories still exist will be cancelled.
- Back orders will remain against new coupons/VPRs where current inventories have been depleted.

Priorities when discounting our packs continue to be as follows:

- VPR**
- 1) MONARCH Gun VPRs
 - 2) Thermal-Printed VPRs
 - 3) Preprinted VPRs (should only be used when MONARCH gun VPRs and thermal-printed VPRs are not available).

- Coupon**
- 1) Thermal-printed coupons
 - 2) Preprinted coupons (should only be used when thermal-printed coupons are not available).

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R. J. REYNOLDS TOBACCO COMPANY

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Revised Preprinted Coupons/VPRs - Current and New Item Status

Description	Current Item #	New Item #	Status
Full Price Carton VPRs			
M/B 1.00 FP Ctn VPR	434705	521243	Order new item #
M/B 1.50 FP Ctn VPR	434716	521252	Order new item #
M/B 2.00 FP Ctn VPR	416550	521255	Order current item # until depleted
M/B 3.00 FP Ctn VPR	416561	521261	Order current item # until depleted
M/B 4.00 FP Ctn VPR	416539	523160	Order current item # until depleted
Savings Carton VPRs			
Sav M/B 1.00 Ctn VPR	N/A	521315	Order new item #
Sav M/B 1.50 Ctn VPR	N/A	521321	Order new item #
Sav M/B 2.00 Ctn VPR	N/A	521324	Order new item #
Sav M/B 2.50 Ctn VPR	399434	521330	Order new item #
Sav M/B 3.00 Ctn VPR	399445	521333	Order current item # until depleted
Full Price Pack VPRs			
M/B .15 Pk FP VPR	434727	521213	Order current item # until depleted
M/B .20 Pk FP VPR	434694	521222	Order new item #
M/B .25 Pk FP VPR	434738	521225	Order new item #
M/B .30 Pk FP VPR	404527	521231	Order current item # until depleted
M/B .40 Pk FP VPR	405748	521234	Order current item # until depleted
Savings Pack VPRs			
Sav M/B .10 Pk VPR	399302	521285	Order current item # until depleted
Sav M/B .15 Pk VPR	N/A	521291	Order new item #
Sav M/B .20 Pk VPR	N/A	521294	Order new item #
Sav M/B .25 Pk VPR	399335	521300	Order current item # until depleted
Sav M/B .30 Pk VPR	399346	521303	Order current item # until depleted
Full Price Carton Coupons *(SKU pkg for current = 100/pkg)			
1.00/Ctn M/B FP Cpn	*486491	520796	Order current item # until depleted
1.50/Ctn M/B FP Cpn	*486494	520799	Order current item # until depleted
2.00/Ctn M/B FP Cpn	*496193	520802	Order current item # until depleted
2.50/Ctn M/B FP Cpn	*496202	520805	Order current item # until depleted
3.00/Ctn M/B FP Cpn	*496190	520811	Order current item # until depleted
Savings Carton Coupons			
M/B Sav 1.00/OCC	511214	TBD	Order current item # until depleted
M/B Sav 1.50/OCC	511220	523451	Order current item # until depleted
M/B Sav 2.00/OCC	506741	522161	Order current item # until depleted
M/B Sav 2.50/OCC	511223	TBD	Order current item # until depleted
M/B Sav 3.00/OCC	511232	TBD	Order current item # until depleted
Full Price Pack Coupons			
.20/Pk M/B FP Cpn	486470	520772	
.25/Pk M/B FP Cpn	486485	520775	
.30/Pk M/B FP Cpn	496181	520781	
.40/Pk M/B FP Cpn	496184	520784	
Order current item #'s through Nov. 1, 1996; begin ordering new item #'s Nov. 4			
Savings Pack Coupons			
M/B Sav .15 Pk Cpn	511241	521264	
M/B Sav .20 Pk Cpn	511244	521270	
M/B Sav .25 Pk Cpn	511250	521273	
M/B Sav .30 Pk Cpn	511253	521282	
Order current item #'s through Nov. 1, 1996; begin ordering new item #'s Nov. 4			

NOTES:

- 1) All current and new items #'s are packed 500/roll, except as noted for current full-price carton coupons.
- 2) "Order new item #" status indicates that current coupon/VPR has been depleted and only new item is available for order.
- 3) "Order current item # until depleted" status indicates that new item # will not be activated until current inventory is depleted.

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